

Massachusetts Electric

A **National Grid** Company



Amy G. Rabinowitz
Counsel

January 7, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: D.T.E. 01-76

Dear Secretary Cottrell:

On behalf of Massachusetts Electric Company and Nantucket Electric Company, I am enclosing for filing the responses to Department's information requests 1-1, 1-2, 1-11, 1-12, 1-17, 1-21, and 1-22 in the above-captioned docket. Thank you very much for your time and attention to this matter.

Very truly yours,


Amy G. Rabinowitz

cc: Joseph Rogers, Office of the Attorney General

D.T.E. 1-1

Request:

Referring the Interconnection Requirement Document (the "Document") at 3, the Company refers to In-service Date as the time the facility is ready for in-service, even if the facility is not placed in-service on or by that date.

- (a) please explain the reasons and purpose for this definition; and
- (b) please indicate any additional costs to the interconnecting customer as a result of a time difference between the In-service Date and the time the Facility is actually in service.

Response:

- (a) The definition of In-Service Date defines when the Distribution Facilities Upgrades are complete and available for use by the Interconnecting Customer.
- (b) There are no additional costs to the Interconnecting Customer due to a time difference between the date the Facility is available for service and the date the Distribution Facilities Upgrades are available for service.

Prepared by or under the supervision of: M. J. Hager

D.T.E. 1-2

Request:

Referring to the Document, Process Overview, at 5-7, please explain where in this interconnection process the Company explicitly meets the requirements of 220 CMR 8.04(2) and (3).

Response:

Section 3.0(c) of the interconnection process is intended to comply with the requirements of 220 CMR 8.04(2). To make this clear, the Company will amend Section 3.0(c) to read as follows:

c. Upon verification and within 45 days of the Company's receipt of the Notice of Intent, the Company will conduct an initial site inspection of the proposed Facility to determine if a Distribution Facilities Impact Study is required. If a Distribution Facilities Impact Study is not required and the Facility meets the requirements for immediate interconnection to the Company's system, the Interconnecting Customer and the Company shall execute an Interconnection Service Agreement, the form of which is provided in Exhibit 2, and the Interconnecting Customer shall pay the Company the amount specified in such agreement. In some cases, the Company may determine that a Distribution Facilities Impact Study is not required and may proceed directly with a Distribution Facilities Detailed Study.

Sections 3.0(d) and 3.0(g) are intended to comply with the requirements of 220 CMR 8.04(3). To make this clear, the Company will amend Section 3.0(j) by adding the following at the end:

If the Interconnecting Customer does not agree with the Company's cost estimate, the Interconnecting Customer may petition the Massachusetts Department of Telecommunications and Energy to review the reasonableness of the Company's cost estimate.

Prepared by or under the supervision of: M.J. Hager

D.T.E. 1-11

Request:

Please explain what is meant by the term tail coverage as shown in Exhibit 6, sheet 67.

Response:

General Liability coverage is written either as an "Occurrence" policy or as a "Claims-Made" policy. Coverage is triggered on an Occurrence policy by the date that the bodily injury or property damage occurred. Coverage is triggered on a Claims-Made policy by the date that the claim is reported to the insurer. After the expiration of a Claims-Made policy, there is no longer coverage for any claim unless the policy is renewed by another Claims-Made policy or a "tail" is purchased. A "tail" is an extended reporting period that allows for the expired coverage to respond to claims that occurred during the policy period but not reported before the expiration date.

Prepared by or under the supervision of: M. J. Hager

D.T.E. 1-12

Request:

Referring to the Document at 2 and 5, and in particular the Distribution Facilities Impact Study and the Distribution Facilities Detailed Study, please explain which of these studies, if any, is intended to be consistent with 220 C.M.R. 8.04(2) Inspection, such Inspection to be made at the Distribution Company's expense within 45 days of request by the Qualifying Facility or the On-Site Generating Facility. If neither study is intended to be consistent with 220 CMR 8.04(2) Inspection, please explain what mechanism is envisioned for such Inspection and where that mechanism appears in the Document.

Response:

As explained in the Company's response to D.T.E. 1-12, both studies are intended to be consistent with 220 CMR 8.04(2).

Prepared by or under the supervision of: M.J. Hager

D.T.E. 1-17

Request:

Please explain the basis for recovery of Land Interests costs as stated in the Document, sheet 12, item 5.3. In addition, please explain how the share of Land Interests costs attributable to an Interconnecting Customer would be differentiated from the share of Land Interests costs attributable to the Company's non-generating customers in circumstances where the land serves both purposes.

Response:

To the extent the Company must acquire land in order to construct the Distribution Facilities Upgrades that are needed to interconnect the Facility to the Company's Distribution System, the Company would require the Interconnecting Customer to pay all or a portion of the costs associated with the acquisition.

The amount the Interconnecting Customer would be required to pay would be the total acquisition costs less any costs that can be attributed to "system improvement benefits" that benefit other customers.

The amount paid by the Interconnecting Customer would be recorded on the Company's books at zero cost while the system improvement benefit cost will be included on the books at actual value. These costs would be recovered from the Company's customers in a future rate case.

Prepared by or under the supervision of: M. J. Hager

D.T.E. 1-21

Request:

Referring to Exhibit 4, sheet 54 it appears that if a Distribution Facilities Impact Study is required then a Distribution Facilities Detailed Study is also required. Please explain.

Response:

The Distribution Facilities Impact Study is only designed to produce study grade cost estimates ($\pm 25\%$) which are not suitable for finalizing agreements, contracts or commitments; therefore, a Distribution Facilities Detailed Study would be required, should the Interconnecting Customer elect to proceed with the Interconnection.

Prepared by or under the supervision of: M.J. Hager

D.T.E. 1-22

Request:

Referring to the Document, sheets 8-10, no entries appear for Category 5 facilities. Please explain.

Response:

Category 5 facilities are subject to the full extent of the requirements contained in the Document (as stated in the last sentence of the last paragraph on sheet 8).

Prepared by or under the supervision of: M.J. Hager